

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

FRANCHISE GROUP, INC., *et al.*,¹

Reorganized Debtors.

Chapter 11

Case No. 24-12480 (LSS)

(Jointly Administered)

Re: Docket Nos. 1602, 1746

**FEE EXAMINER'S FINAL REPORT REGARDING
FIRST AND FINAL FEE APPLICATION REQUESTS OF
CHILMARK PARTNERS, LLC**

Direct Fee Review LLC (“DFR”), appointed and employed as the Fee Examiner in the above-captioned bankruptcy proceedings and acting in its capacity regarding the First and Final Fee Application Requests of Chilmark Partners, LLC (the “Firm”) for compensation for services rendered and reimbursement of expenses as Financial Advisor to Michael J. Wartell, in his capacity as Independent Director for the compensation period from February 26, 2025 through June 2, 2025 (“Fee Applications”) seeking approval of fees in the amount of \$405,654.00 and the reimbursement of expenses in the amount of \$0.00, submits its final report.

BACKGROUND

1. In performance of audit procedures and in preparation of this report designed to quantify and present factual data relevant to the requested fees, disbursements and expenses contained herein, DFR reviewed the monthly fee statements and the Fee Applications,

The last four digits of Franchise Group, Inc.'s federal tax identification number are 1876. The mailing address for Franchise Group, Inc. is 2371 Liberty Way, Virginia Beach, Virginia 23456. The term "Reorganized Debtors" includes Franchise Group, Inc. and certain reorganized debtor affiliates, a complete list of which, including the last four digits of their federal tax identification numbers and addresses, may be obtained on the website of the Reorganized Debtors' claims and noticing agent, at <https://cases.ra.kroll.com/FRG/>. All of the motions, contested matters, and adversary proceedings that remained open as of the closing of any of the Reorganized Debtors' cases, or that are opened after the date thereof, are administered in the remaining chapter 11 case of Franchise Group, Inc., Case No. 24-12480 (LSS).

including each of the billing and expense entries listed in the exhibits to the monthly statements, for compliance with 11 U.S.C. § 330, Rule 2016-1 of the *Local Rules of the United States Bankruptcy Court for the District of Delaware*, as amended February 26, 2025 (“Local Rules”), the *United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330*, issued June 11, 2013 (“Guidelines”).

2. DFR did not prepare informal memos related to monthly fee applications of the Firm. We included our questions and issues in an initial report. We have included all responses and any recommended resolutions in this final report.

DISCUSSION

3. For the compensation period of February 26, 2025 through June 2, 2025 the Firm submitted monthly fee applications in the amount of \$405,654.00 as actual, reasonable and necessary fees and for expense reimbursement of \$0.00. No amount was disclosed related to fee application preparation.
4. We noted that much of the time billed by a timekeeper appeared to have been recorded in units of ½ of an hour. We requested and the Firm provided additional explanation and confirmed that the time billed did not exceed the actual time worked.
5. Activity descriptions shall individually identify all meetings and hearings (conferences and conference by telephone), each participant, the subject(s) of the meeting or hearing (conferences and conference by telephone) and the participant’s role; including email. Our procedures applied to the monthly fee application identified entries with descriptions which did not provide such detail. We requested and the Firm identified the participants referred to as “internal”, “Akin Gump team members”, “Akin lit team members”, “Akin” and “K&E”.

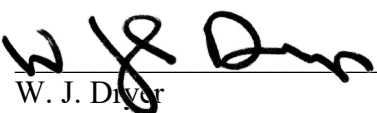
6. Our review and procedures applied to the monthly fee statements and the applications, including each of the billing entries listed in the exhibits to the monthly statements did not disclose any other material issues or questions.

CONCLUSION

7. Regarding the application and the fees and expenses discussed in the previous sections, DFR submits its final report for the First and Final Fee Application Requests of Chilmark Partners, LLC for compensation for services rendered and reimbursement of expenses as Financial Advisor to Michael J. Wartell, in his capacity as Independent Director for the compensation period from February 26, 2025 through June 2, 2025 of the fees of \$405,654.00 and the reimbursement of expenses in the amount of \$0.00.

Respectfully submitted,

DIRECT FEE REVIEW LLC
FEE EXAMINER

By: 
W. J. Driver

24A Trolley Square #1225
Wilmington, DE 19806-3334
Telephone: 415.226.9618
dfr.wjd@gmail.com